

Step 4: Once the lottery is complete, applicants are given a reasonable period in which to secure financing. With a preliminary mortgage approval they enter into a Purchase and Sale Agreement with the developer, and then use the P&S Agreement to get a mortgage.

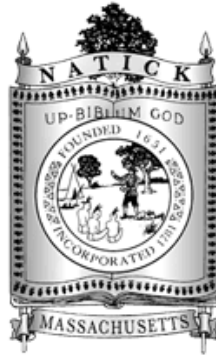
### **Where is the Affordable Housing?**

The Natick Community Development Department monitors affordable “workforce” housing in the Town that was provided by developers as a requirement of their permitting. These for-purchase or rental housing units are for applicants at or below 80% AMI. Typically the cost of these units precludes applicants with income below 50% AMI. For information on specific projects **Contact Joe Merkel in the Community Development Department: 508-647-6428.**

The Natick Housing Authority owns and manages other affordable properties that serve Section 8 and Very Low Income applicants. **The NHA can be reached by calling 508-653-2971.**

The **Natick Affordable Housing Trust** and the **Natick Community Development Advisory Committee** meet monthly and oversee Town affordable housing funds, grants, and studies.

**CHAPA (Citizens Housing and Planning Association)** maintains regional affordable housing information including affordable housing lottery information for the Boston Metro area: <http://www.massaccesshousingregistry.org/>



### **CONTACT INFORMATION:**

**Joseph Merkel**  
Housing Planner  
Community Development Department  
Town of Natick  
508-647-6428  
[jmerkel@natickma.org](mailto:jmerkel@natickma.org)

### **Natick Affordable Housing Trust:**

[http://natickma.gov/Public\\_Documents/NatickMA\\_BComm/housing%20trust](http://natickma.gov/Public_Documents/NatickMA_BComm/housing%20trust)

### **Community Development Advisory Committee:**

[http://natickma.gov/Public\\_Documents/NatickMA\\_BComm/cdac](http://natickma.gov/Public_Documents/NatickMA_BComm/cdac)

### **Massachusetts Department of Housing and Community Development:**

100 Cambridge Street  
Suite 300  
Boston, MA 02114  
617-573-1100

## **Town of Natick**

## **Affordable Housing**

**March 2013**

## **Community Development Department**

**Joseph Merkel**  
**Natick Town Planner**  
**508 647 6428**



## AFFORDABLE HOUSING

### *General Information*

The definition of “affordable” or “workforce” housing is housing that does not cost more than 30% of the gross household income.

The annual cost of your mortgage (principal, interest, property taxes, and insurance) and possibly condo fees, etc should not exceed 30% of what the *household* earns annually. Households with housing costs above this amount may have difficulty affording other necessities. *Household* income includes the wages from all residents in the housing unit.

Affordable housing developments, through zoning incentives and governmental subsidies, provide a percentage of homes available to households who cannot afford the market prices for homes in Natick, based on this definition for affordable. The price and rent of these affordable units is calculated such that a household earning 80% of the area’s median income (AMI) would not be paying more than approximately 30% of that income on housing costs.

Anyone earning 80% or less of the AMI is qualified to buy or rent an “affordable” home. Because there are usually more applicants than homes, a lottery is run to determine the purchasers (or renters at lease-up); in the case of subsequent renters a waiting list is maintained at the management office. If you are income qualified, you may enter a lottery, but this

does not guarantee you will get one of the units. Lottery winners are chosen at random from the pool of applicants.

In Natick, once a home is deemed “affordable” it is deed protected as affordable in perpetuity. This deed runs with the property. This means the home cannot be sold or rented at the going market rate, but rather an “affordable” price/ rent, to qualifying parties in the future. Another limitation on affordable homes is that they must be owner-occupied. You may not rent out your affordable home.

### **Who Qualifies for an Affordable Home?**

Natick has adopted the following qualifications followed by most municipalities. Details may vary, but generally these rules apply.

1) Total household gross income cannot exceed 80% of the AMI, based on household size as follows:

<b><u>Household Size</u></b>	<b><u>Income Limits</u></b>
<b>1</b>	<b>\$47,150</b>
<b>2</b>	<b>\$53,900</b>
<b>3</b>	<b>\$60,650</b>
<b>4</b>	<b>\$67,350</b>
<b>5</b>	<b>\$72,750</b>

There is also an asset limit of \$75,000 which cannot be exceeded.

2) The household shall not have owned a home within three years preceding the application, with the exception of displaced homemakers and elderly

households (where at least one person is 55 or over).

3) The household shall have sufficient funds for a down payment and closing costs, as determined by the developer and the participating lender. The household must obtain a fixed rate mortgage.

4) Household size shall be appropriate for the number of bedrooms.

5) Non-household members shall not be permitted as co-signers of the mortgage. All household income will be used in qualifying the applicant.

### **Lottery Process**

Step 1: Affirmative Fair Marketing of the units is directed at low- and moderate-income households. An information session is held usually a month before the application deadline.

Step 2: Applicants for the lottery must submit all required materials (varies by lottery), including a pre-approval letter by a lender by the specified deadline. Only income and asset eligible applicants who submit all required information are entered.

Step 3: Each qualified applicant is assigned a registration number on a ballot which is placed in a lottery pool. Ballots are drawn with a ranking of applicants. If an applicant drops out their ranking is lost and the next applicant down takes their place. Units are distributed in order of rank.

***Information continued on other side of brochure.***